IN THE COURT OF XXXVIII METROPOLITAN MAGISTRATE,
(FAST TRACK COURT – V), SAIDAPET, CHENNAI –15.
PRESENT: Tmt.A.K.N.CHANDRA PRABA, B.Sc., M.L.,
XXXVIII METROPOLITAN MAGISTRATE,
(FAST TRACK COURT – V),
Monday, this the 18th Day of May, 2026
CC.No. 4025 of 2014
CNR.No.TNCH0C-001832-2014
JUDGMENT UNDER SECTION 355 of Cr.P.C

A	**Serial Number of the Case**	CC.No. 4025 of 2014
B	**Date of Offence**	12.06.2014
C	**Name of the Complainant & Address**	M/s.Redington (India) Ltd., Rep by Mr.M.Sundararajan, Senior Legal Executive, SPL Guindy House, 95, Mount Road, Guindy – 600 032.
D	**Name of the Accuseds and addresses**	1. M/s.S.S.Marketing and Services, Rep by it's Partner, S.Sathyanarayanan, No.17/8, Jubilee Road, West Mambalam, Chennai – 600 033. **Branch Address :** No.9, Jubilee Road, West Mambalam, Chennai – 600 033. 2.S.Sathyanarayanan, Partner, M/s. S.S.Marketing and Services, No.17/8, Jubilee Road, West Mambalam, Chennai – 600 033. **Branch Address :** No.9, Jubilee Road, West Mambalam, Chennai – 600 033. **Residence Address :** 171, 3rd Cross, Sankar Nagar, Pammal, Chennai- 600 075. 3. S.Saravanan, Partner, M/s. S.S.Marketing and Services, No.17/8, Jubilee Road, West Mambalam, Chennai – 600 033. **Branch Address :** No.9, Jubilee Road, West Mambalam, Chennai – 600 033. **Residence Address :** No.11/3, Kannagi Street, East Tambaram, Chennai – 600 059. 4. J.Selvadurai, Partner, M/s. S.S.Marketing and Services, No.17/8, Jubilee Road, West Mambalam, Chennai – 600 033. **Branch Address :** No.9, Jubilee Road, West Mambalam, Chennai – 600 033.

		Residence Address : No.34, Mannar Mudali Street, Vadapalani, Chennai – 600 026. 5. K.Suresh Babu, Partner, M/s. S.S.Marketing and Services, No.17/8, Jubilee Road, West Mambalam, Chennai – 600 033. **Branch Address :** No.9, Jubilee Road, West Mambalam, Chennai – 600 033. **Residence Address :** R-Block, 25/21, Kotturpuram, Chennai. **(Case Splited against accused A-5 and assigned STC.No.2825 of 2025 by this court)**
E	**Offence Complained of**	Dishonor of Cheque –U/s.138 & 141 of the Negotiable Instruments Act.
F	**Plea of the Accused and his Examination in Brief**	Not guilty.
G	**Final Order**	In the result, The accused A1 to A4 are found guilty for the offence u/s.138 of N.I.Act and the accused A1 to A4 convicted for the said offence u/s.255 (2) of Cr.P.C. On considering fact and circumstance of the case and amount involved in this case and age of accused A2 to A4 and reply of accused about sentence questioning as no and this court has imposed sentence of simple imprisonment for 8 months to the accused A2 to A4 and as per u/s.357 of Cr.P.C, this court has imposed compensation of Rs.24,89,203/- (cheque amount) along with 3% per annum for the said cheque amount from the date of dishonor of case cheque to till date jointly and severable by the accused A1 to A4 for the offence u/s.138 of N.I.Act and directed the accused A1 to A4 to pay the said compensation amount to the complainant within one month from this date and in default of payment of said compensation then the accused A2 to A4 shall undergo four months simple imprisonment.

H	**Judgment Reserved on**	05.05.2026
I	**Judgment Pronounced on**	18.05.2026

PART-B – A brief statement of reasons for the decision
(As mandated u/s.355(1) of the code of criminal procedure,1973)

This case come up for final hearing before this court on 05.05.2026, Mr.V.T.Narendiran, is the learned Counsel for the complainant and M/s.T.Thiyagarajan & M/s.J.H.Batcha, are the learned Counsel for the accused A1 to A3 and A4 respectively, upon hearing both sides and on considering all the materials on record, having stood over for consideration till this day and today this court delivers the following:

JUDGMENT

The complainant has filed this complaint U/s.200 Cr.P.C for the offence Punishable U/s.138 & 141 of the Negotiable Instruments Act 1881 (referred herein as N.I.Act) as Amended by Act 66 of 1988 to the accused and for compensation to the complainant.

1) Gist of Complaint filed by complainant:-

The complainant has stated in his complaint as the accused has purchased computer assures goods from complainant in various invoices and outstanding amount of Rs.24,89,203/- to be paid by accused to complainant. On repeated demand made by complainant, the accused has issued a cheque no.618851 dated 30.04.2014, for a sum of Rs.24,89,203/- drawn on Indian Overseas Bank, Triplicane Branch, Chennai -600 005 to the complainant for the said part amount. Then the complainant has presented on 30.04.2014, the said cheque in his banker HDFC Bank Ltd, No.115, Radha Krishnan Salai, Mylapore, Chennai and the same was returned as “Exceeds Arrangement” and on 05.05.2014 return memo for the said cheque was given to complainant by his said banker. On 27.05.2014, the complainant has issued notice to the accused to call upon the accused to repay the said cheque amount to the complainant within 15 days as per u/s 138 of N.I. Act. On 28.05.2014, the said notice was received to the accused. The accused has not repaid the said cheque amount to the complainant. So, the complainant has filed this complaint against the accused before this court.

2) Cognizance :-

The complainant has filed this complaint along with proof affidavit before this Court and the same was verified with original documents submitted by the complainant. On perusal of entire records, there is prima facie case made out against the accused u/s 138 of NI Act. This Court has taken cognizance of the said offence against the accused and issued summon to the accused**.** The proof affidavit of complainant is replica of the fact mentioned in complaint in this case.

3) Copies and Substance of accusation:

On appearance of accused, this Court has furnished the copies to the accused and explained about the substance of accusation for an offence u/s 138 of NI Act to the accused u/s 251 of Cr.P.C and the accused has pleaded not guilty and tried the case. Based on the above proceedings, this Court has directed to produce the complainant side witnesses. The accused A5 namely Suresh Babu was absconded and NBW was issued against A5 and the case against A5 is splitted and assigned STC.No.2825 of 2025 and the cases is proceeded against A1 to A4 in this case.

4) Substance of complainant side evidence:-

The complainant side has examined PW1 by proof affidavit was taken as in lieu of complainant side evidence and Ex.P1 to Ex.P10 were marked as per u/s 145(1) of NI Act by this Court. The PW1 has deposed as the replica of the complaint which was filled by the complainant in this case. So, the complainant was examined as PW1 and Ex.P1 to Ex.P10 were marked in his evidence. After that no witness produced by complainant and complainant side evidence was closed by this court.

5) Recall complainant witnesses by accused :-

The accused has recalled the complainant's witnesses for cross before this Court. The accused has crossed examined PW1 to prove their case. After that, the complainant has not taken any steps to produce witness to prove his case and the complainant side evidence closed.

6) The incriminating evidence explained to accused:-

On appearance of accused, this Court has explained about the incriminating evidence u/s 313 of Cr.P.C to the accused and denied as false evidence and further stated that the accused have retired as partner from accused company from the year 2002 itself by accused A2 and A3 and accused A4 was retired in the month of January 2012 and filed this false case by complainant and this court has ordered to produce the witness on the defense side. The Bank Manager of accused was examined as DW1 and Ex.D1 & Ex.D2 were marked, the A2 was examined as DW2 and Ex.D3 & Ex.D4 were marked and A4 was examined as DW3 and Ex.D5 to Ex.D10 were marked to prove their case. After that there is no witness produced by the defense side. So, this court has closed the defence side evidence.

7) Substance of defence side evidence:-

The accused Bank Manager was examined as DW1 and deposed as the accused company was maintained current bank account in their bank and on 18.05.2012, the 1st accused company was opened the bank account and on 29.06.2015, the said bank account was closed by accused company by furnishing letter to close the account.

DW1 has produced the certified copy of accused company partnership deed and other connected documents and bank account statement for the period 18.05.2012 to 31.12.2014 and marked as Ex.D1 and Ex.D2 respectively. The DW1 has admitted the case cheque which was issued by his bank and the signed in case cheque person is one Suresh Babu who is A5 in this case. DW1 has deposed that if any other person signed in case cheque will be returned for the reason as "signature differs" along with funds insufficient.

The 2nd accused namely Sathyanarayanan was examined DW2 and deposed as in the year 1999, the 1st accused company was runned by Saravanan (A3), Selvadurai (A4), Suresh Babu (A5) and DW2/A2 as partners. On 31.03.2002, A2 was resigned as partner in the 1st accused company and DW2 did not known anything about the accused company activities after his resignation. In the year 2017, the courts summons received by A3 and enquired about the case with complainant and DW2 also came to know about the case through A3 and in the year 2018, A3 and DW2/A2 were appeared in this case. The complainant company has entered in to dealership of agreement with accused in the year 2004 and the documents which are produced by complainant are created to file this case. The complainant has filed arbitration proceedings against A2 and A3 and produced the arbitration proceedings documents and petition in setaside order by our Hon'ble High Court and marked as Ex.D3 and Ex.D4 respectively.

The 4th accused namely Selvadurai was examined DW3 and deposed as A2 and A5 have runned the 1st accused company and it was started on 24.10.1999. On 31.03.2002, the A2 and A3 had resigned as partner and the 1st accused was company runned in the address mentioned in the complaint from 2002. The accused company was dealing with computer software and hardware business and produced original partnership deed, deed of desolution by A2 and A3, reconstitution of partnership deed and marked as Ex.D5 to Ex.D7. The accused A5 and his wife namely Kamachi are partners in accused company and resignation details also intimated to purchaser company and commercial tax office and resigned partners name was deleted by tax office. As per Ex.D7, the new partners should get new TIN and GST Numbers. DW3/A4 has runned his company in the name and style of accused company SS marketing and services company as sole proprietor in 1st accused company address and 1st accused company was shifted to No.8, Jubliee Road, West Mambalam. The cause of action was arisen after 21 month from the date of resignation as partner. There is no relation in arbitration proceedings by DW3 and the petition was withdrawn by complainant and produced the certified copy of order and marked as Ex.D8. On 22.09.2025, in arbitration proceedings there is favorable order was given by our Hon'ble High Court and proceeded the same and marked as Ex.D9. The complainant has not filed case against partner at the time of cause of action in accused company but filed false case against DW3. The complainant has filed other case against the partners who are present at the time of cause of action in accused company and it is pending before some other court. The complainant has filed case against the partner of accused company which was filed by sister concern of complainant and proceeded the certified copy complaint and marked as Ex.D10. So, DW3 has no cause of action as per complainant and filed this false case against him.

8) In order to prove the case, the complainant side examined PW1 and Ex.P1 to Ex.P10 and DW1 to DW3 were examined and Ex.D1 to Ex.D10 were marked by the defence side in this case.

9) Heard both sides. The complainant and accused counsels have submitted their oral arguments and defence side have filed written arguments and relied judgments on their side in this case.

10) Points for determination:-

1) Whether the complainant has established the presumption infavour of complainant as per u/s 118 and 139 of NI Act beyond all reasonable doubts ?
2) If the complainant has established his case then the accused has rebutted the said presumption infavour of the complainant as preponderance of probabilities or not?
3) If the accused has failed to rebut or rebutted the established case of complainant then what are the reliefs the parties are entitled and if the accused is not rebutted then what are the quantum of punishment can be imposed to the accused ?

11) Decision:

Point No:1 to 3:-

The complainant has to prove the case as per section 138 of N.I.Act and the complainant has produced Ex.P1 to Ex.P10 to prove the compliance of ingredients as mentioned in section 138 of N.I.Act. So, the complainant has proved the offence u/s 138 of N.I.Act by the Ex.P1 to Ex.P10 and the ingredients for an offence u/s 138 of N.I.Act was attracted against the accused. The accused has not repaid the money as stipulated in the statutory legal notice to accused and also the accused has admitted the signature in the case cheque and the presumption u/s 118 of N.I. Act and 139 of N. I. Act are attracted infavour of the complainant.

The accused has to rebut the presumption infavour of the complainant and as per Our Hon’ble Supreme Court dictum in the well settled law that mere denial by the accused would not rebut the statutory presumptions u/s 138 and u/s 118 of NI Act which arises infavour of the complainant under NI act and presumption will still arise in favour of complainant.

12) Now, this court has applied the said principles in this case and the accused has raised defense as accused A2 and A3 were resigned in the year 2002 and accused A4 was resigned in the year 2012 which are earlier period to the cause of action in this case and no legally enforceable debt by accused. The complainant has produced Ex.P1 to Ex.P10 marked in this case.

13) In order to prove the accused has to rebut the complainant case as per the above dictum of Our Hon'ble Supreme Court. The accused has not denied the signature of one of the partner in case cheque and presumption infavour of complainant u/s.118 and 139 of N.I.Act is applicable in this case. As per complainant case the accused company has purchased computer and accessories related goods from complainant on 11.10.2013, 17.10.2013, 26.10.2013 and 28.10.2013 in various invoice bills. The accused has to pay an outstanding amount of Rs.24,89,203/- to complainant and issued the case cheque for the said liability on 30.04.2014.

14) The accused has raised probable defence as accused A2 to A4 were resigned from accused company A1 in the year 2002 and 2012 respectively. The accused company Bank Manager was examined as DW1 and deposed as the bank account of accused company was maintained in his bank from 18.05.2012 to 29.06.2015. DW1 has deposed that the signature in case cheque is accused A5 signature. The accused A2 and A4 have examined as DW2 and DW3 and deposed that the accused company A1 was started with partners A2 to A5 in the year 1998 in the name and style of SS Marketing and Services and function in No.9, Jubliee Road, West Mambalam, Chennai as per Ex.D1, registration certificate given by Commercial Tax Department on 01.01.2007.

15) As per Ex.D2, the bank statement of accused company has revealed the transaction between complainant and accused. So, the accused has admitted that the

accused company A1 was runned by them. As per Ex.P5 also revealed the same. The accused has produced Ex.D6 & Ex.D7 to show the resignation of accused A2 to A4 in the accused company A1. As per the evidence of DW1 cross examination, in the year 2012, the accused company has given the Ex.D7, reconstitution of partners in accused company as A5 and his wife namely Kamachi. But, the accused company maintained bank account in the year 1999 to 2012 was not produced and also not whispered anything to PW1 cross examination or to DW1 to DW3.

16) As per the evidence DW3, the accused company has given the share of A4 in the form of materials but they have not discharged the case cheque amount liability to complainant and the same was admitted by DW3 at the of cross examination. The accused has raised defence as A2 to A4 were resigned as partner in the accused A1 company. Now, the liability of resigned partners are to be considered as per Indian Partnership Act by this court. As per section 32 of Indian Partnership Act, the liability of resigned partner to be discharged by consent of partners, public notice issued by resigned partner or continuing partners to all the liability persons or otherwise the discharge of resigned partner in a company is liable till discharge the same even resigned as partner.

17) As per the above discussion, DW3 has admitted that the liability of complainant was not discharged and no public notice issued by partner of A1 company and also no agreement with complainant and partners of A1 company including resigned partner A2 to A4. The same was admitted by DW2 during cross examination by complainant. The accused A2 to A4 have not taken any legal steps against A1 company and continuing partner and newly joined partner as per Ex.D7 till date and the same was admitted by DW2/A2 and DW3/A4.

18) Moreover, as per Ex.D6 and Ex.D7 have revealed that the resigned partner of A2 to A4 have liability to discharge the outstanding amount during the period as partner in A1 company. As per the said agreement itself has given the liability to accused to discharge all outstanding amount during their period. The accused A4 has runned the same product of A1 company in the same address No.9, Jubliee Road, West Mambalam, Chennai and accused A1 company was shifted to No.8, Jubliee Road, West Mambalam, Chennai and admitted in his evidence also. So, the accused has not given any notice about the resignation of partners, Ex.D6 and Ex.D7 to complainant and as per Indian Partnership Act, the accused have liability to discharge the case cheque amount even resigned as partner in A1 accused company as per their defence.

19) DW1 has deposed that the signature in case cheque is signed by A5 and as per Ex.P3, invoice bills have revealed that the goods were delivered to accused at No.9, Jubliee Road, West Mambalam, Chennai. If so, the accused has received the goods in the year 2013 in the above said address in which A4 is running his business in the name and style of A1 company name SS Marketing and Services. If the goods were delivered to accused then the knowledge of transaction between them and received the said goods as partner in A1 company from complainant.

20) The arbitration proceedings between complainant and accused are different proceeding to settle their issue but this case is for legal enforceable debt of accused and issued case cheque to discharge the same. As per Ex.D6 and Ex.D7 have revealed the liability of accused and they have not acted as per Ex.D6 and Ex.D7 since the accused company A1 has not given money for share of resigned partners but handed over goods to them and the same was admitted by DW3 also.

21) The accused has not put any question to PW1 or during their evidence about the reconstitution of partnership deed between them and not whispered anything about the

same during the trial in this case. So, the accused A1 to A4 have liability to discharge the case cheque amount to complainant since there is no public notice to complainant about the resignation of partners in A1 company as per under section 32 of Indian Partnership Act. So, the accused has not rebutted the complainant case as per the evidence of PW1, DW1 to DW3 and the complainant has proved as per guidelines of our Hon'ble Supreme Court.

22) If, the case cheque which was handed over for security purpose will attract if there is default in payment of debt by the accused. So, the accused has no defence in the initial stage of the case itself. No other fact in the evidence was not relevant to this case. The citations relied by both parties are not applicable to this case. The accused has raised mere defence and not proved the complainant case as preponderance of probabilities and the accused has not rebutted the complainant case as per complainant evidence or his evidence or by circumstantial fact of the case. The onus of proof has not shifted to complainant but the complainant has proved as per Ex.P1 to Ex.P10. Hence, this court has decided that the point No.2 & 3 are answered infavour of the complainant.

In the result, the accused A1 to A4 are found guilty for the offence u/s.138 of N.I.Act and the accused A1 to A4 convicted for the said offence u/s.255 (2) of Cr.P.C.

On considering fact and circumstance of the case and amount involved in this case and age of accused A2 to A4 and reply of accused about sentence questioning as no and this court has imposed sentence of simple imprisonment for 8 months to the accused A2 to A4 and as per u/s.357 of Cr.P.C, this court has imposed compensation of Rs.24,89,203/- (cheque amount) along with 3% per annum for the said cheque amount from the date of dishonor of case cheque to till date jointly and severable by the accused A1 to A4 for the offence u/s.138 of N.I.Act and directed the accused A1 to

A4 to pay the said compensation amount to the complainant within one month from this date and in default of payment of said compensation then the accused A2 to A4 shall undergo four months simple imprisonment.

If any bail bond executed by the accused shall cancelled after the appeal period u/s.437A of Cr.P.C. If any deposit made by the accused in this case shall be adjust to the compensation in this case after appeal period.

Typed by the steno-typist in the computer directly to my dictation, after making corrections, pronounced by me in the open court on this the 18th day of May 2026.

A K N CHANDRAPRABA
Digitally signed by A K N CHANDRAPRABA
Date: 2026.05.18 17:25:28 +0530

XXXVIII Metropolitan Magistrate,
(Fast Track Court – V),
Saidapet, Chennai-15.

Annexure

Complainant side witness

PW-1 : Mr.M.Sundararajan (Complainant)

Complainant side Documents

Exhibits		
Ex.P1	22.05.2013	Board Resolution
Ex.P2	27.05.2014	Letter of Authorization
Ex.P3	11.10.2013 26.10.2013 28.10.2013 17.10.2013 24.06.2025	C711301 C712297 C712370 C711603 Letter received from the Arbitrator for the receipt of original invoices.
Ex.P4	30.04.2014	Cheque No.618851
Ex.P5	03.05.2014	Return Memo
Ex.P6	05.05.2014	Cheque Return Statement
Ex.P7	27.05.2014	Statutory Notice with Postal Slips
Ex.P8	28.05.2014	Acknowledgment Cards – 2 Nos

Ex.P9	28.05.2014 29.05.2014	Return Covers – 8 Nos
Ex.P10	30.04.2004 to 31.05.2014	Statement of Account

Defence Side Witnesses:

DW-1 : Mr.Shankar

DW-2 : Mr.S.Sathyanarayanan (Accused-A2)

DW-3 : Mr.J.Selvadurai (Accused - A4)

Defence Side Documents:

Exhibits		
Ex.D1		Bank Account opening application along with connected document by accused company.
Ex.D2	18.05.2012 to 31.12.2014	Bank Statement of Accused
Ex.D3	20.11.2017	Document filed in arbitration proceedings by A2
Ex.D4	29.02.2024	The Hon'ble High Court Order in Arb.O.P.(Com.Div.) No.325 of 2023 and A.No.3655 of 2023.
Ex.D5	24.10.1999	Partnership Deed
Ex.D6	31.03.2002	Deed of Dissolution of Partnership
Ex.D7	23.01.2012	Re-Constitution of Partnership Deed
Ex.D8	07.06.2024	The Hon'ble IX Assistant City Civil Court Order in E.P.No.1921 of 2020 in Arbitration Case No.1 of 2015.
Ex.D9	22.09.2025	The Hon'ble High Court Arbitration Origianl Petition (Com.Div.) No.229 of 2025.
Ex.D10	21.04.2014	Complaint in CC.No.2902 of 2014 before the IX Metropolitan Magistrate at Saidapet Court.

A K N
CHANDRAPRABA

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Date: 2026.05.18 17:25:34 +0530

XXXVIII Metropolitan Magistrate,
(Fast Track Court – V),
Saidapet, Chennai-15.